124D.86 INTEGRATION REVENUE.

Subdivision 1. **Use of revenue.** Districts must use integration revenue under this section for programs established under a desegregation plan filed with the Department of Education according to Minnesota Rules, parts 3535.0100 to 3535.0180, or under court order. The revenue must be used for students to have increased and sustained interracial contacts and improved educational opportunities and outcomes designed to close the academic achievement gap between white students and protected students as defined in Minnesota Rules, part 3535.0110, subpart 4, through classroom experiences, staff initiatives, and other educationally related programs, consistent with subdivision 1b.

Subd. 1a. **Budget approval process.** Each year before a district receives any revenue under subdivision 3, the district by March 15 must submit to the Department of Education, for its review and approval by May 15 a budget detailing the costs of the desegregation/integration plan filed under Minnesota Rules, parts 3535.0100 to 3535.0180. Notwithstanding chapter 14, the department may develop criteria for budget approval, consistent with subdivision 1b. The department shall consult with the Desegregation Advisory Board in developing these criteria. The criteria developed by the department must address, at a minimum, the following:

(1) budget items cannot be approved unless they are part of any overall desegregation plan approved by the district for isolated sites or by the Multidistrict Collaboration Council and participating individual members;

(2) the budget must indicate how revenue expenditures will be used specifically to support increased and sustained interracial contacts and improved educational opportunities and outcomes designed to close the academic achievement gap between white students and protected students as defined in Minnesota Rules, part 3535.0110, subpart 4, consistent with subdivision 1b;

(3) components of the budget to be considered by the department, including staffing, curriculum, transportation, facilities, materials, and equipment and reasonable planning costs, as determined by the department; and

(4) if plans are proposed to enhance existing programs, the total budget being appropriated to the program must be included, indicating what part is to be funded using integration revenue and what part is to be funded using other revenues.

Subd. 1b. **Plan components.** Each year a district's board must approve the plans submitted by each district under Minnesota Rules, parts 3535.0160 and 3535.0170, before integration revenue is awarded. If a district is applying for revenue for a plan that is part of a multidistrict council, the individual district shall not receive revenue unless it ratifies the plan adopted by its multidistrict council or approves a modified plan with a written explanation of any modifications. Each plan shall:

(1) identify the integration issues at the sites or districts covered by Minnesota Rules, parts 3535.0100 to 3535.0180;

(2) describe the community outreach that preceded the integration plan, such that the commissioner can determine whether the membership of the planning councils complied with the requirements of Minnesota Rules, parts 3535.0100 to 3535.0180;

(3) identify specific goals of the integration plan that is premised on valid and reliable measures, effective and efficient use of resources, and continuous adaptation of best practices;

(4) provide for implementing innovative and practical strategies and programs such as magnet schools, transportation, research-based programs to improve the performance of protected students with lower measured achievement on state or local assessments, staff development for teachers in cultural competency, formative assessments, and increased numbers of teachers of color that enable the district to achieve annual progress in realizing the goals in its plan; and

(5) establish valid and reliable longitudinal measures for the district to use in demonstrating to the commissioner the amount of progress it has achieved in realizing the goals in its plan.

By June 30 of the subsequent fiscal year, each district shall report to the commissioner in writing about the extent to which the integration goals identified in the plan were met.

Subd. 2. **Separate account.** Integration revenue shall be maintained in a separate account to identify expenditures for salaries and programs related to this revenue.

Subd. 3. **Integration revenue.** Integration revenue equals the following amounts:

(1) for Independent School District No. 709, Duluth, $206 times the adjusted pupil units for the school year;

(2) for Independent School District No. 625, St. Paul, $445 times the adjusted pupil units for the school year;

(3) for Special School District No. 1, Minneapolis, the sum of $445 times the adjusted pupil units for the school year and an additional $35 times the adjusted pupil units for the school year that is provided entirely through a local levy;

(4) for a district not listed in clause (1), (2), or (3), that must implement a plan under Minnesota Rules, parts 3535.0100 to 3535.0180, where the district's enrollment of protected students, as defined under Minnesota Rules, part 3535.0110, exceeds 15 percent, the lesser of (i) the actual cost of implementing the plan during the fiscal year minus the aid received under subdivision 6, or (ii) $129 times the adjusted pupil units for the school year;

(5) for a district not listed in clause (1), (2), (3), or (4), that is required to implement a plan according to the requirements of Minnesota Rules, parts 3535.0100 to 3535.0180, the lesser of

(i) the actual cost of implementing the plan during the fiscal year minus the aid received under subdivision 6, or

(ii) $92 times the adjusted pupil units for the school year.

Any money received by districts in clauses (1) to (3) which exceeds the amount received in fiscal year 2000 shall be subject to the budget requirements in subdivision 1a; and

(6) for a member district of a multidistrict integration collaborative that files a plan with the commissioner, but is not contiguous to a racially isolated district, integration revenue equals the amount defined in clause (5).

Subd. 4. **Integration levy.** A district may levy an amount equal to 37 percent for fiscal year 2003, 23 percent for fiscal year 2004, and 30 percent for fiscal year 2005 and thereafter of the district's integration revenue as defined in subdivision 3.

Subd. 5. **Integration aid.** A district's integration aid equals the difference between the district's integration revenue and its integration levy.

Subd. 6. **Alternative attendance programs.** (a) The integration aid under subdivision 5 must be adjusted for each pupil residing in a district eligible for integration revenue under subdivision 3, clause (1), (2), or (3), and attending a nonresident district under sections 123A.05 to 123A.08, 124D.03, and 124D.08, that is not eligible for integration revenue under subdivision 3, clause (1), (2), or (3), and has implemented a plan under Minnesota Rules, parts 3535.0100 to 3535.0180, if the enrollment of the pupil in the nonresident district contributes to desegregation or integration purposes. The adjustments must be made according to this subdivision.

(b) Aid paid to a district serving nonresidents must be increased by an amount equal to the revenue per pupil unit of the resident district under subdivision 3, clause (1), (2), or (3), minus the revenue attributable to the pupil in the nonresident district under subdivision 3, clause (4), (5), or (6), for the time the pupil is enrolled in the nonresident district.

History: *1Sp1997 c 4 art 2 s 18; 1998 c 389 art 2 s 4,5; 1998 c 397 art 2 s 164; art 11 s 3; 1999 c 241 art 1 s 7; art 9 s 26,27; 2000 c 489 art 2 s 6-10; 1Sp2001 c 6 art 2 s 47; 2002 c 220 art 3 s 2,3; 2002 c 377 art 5 s 1; 1Sp2003 c 9 art 2 s 31-35; 2007 c 146 art 1 s 25; 2009 c 96 art 2 s 52-54; 1sp2011 c 11 art 2 s 51*

NOTE: This section is repealed by Laws 2011, First Special Session chapter 11, article 2, section 51, paragraph (d), effective for revenue for fiscal year 2014.